

General Government Accounts

Mission Statement

To budget for services provided on a citywide basis and not directly associated with an operating department.

General Government Accounts

DEPARTMENT/OFFICE DIRECTOR: PETER HAMES

	1999 2ND PRIOR EXP & ENC *	2000 LAST YEAR EXP & ENC *	2001 ADOPTED BUDGET	2002 MAYOR'S PROPOSED	2002 COUNCIL ADOPTED	ADOPTED MAYOR'S PROPOSED	CHANGE FROM 2001 ADOPTED
<u>SPENDING APPROPRIATIONS</u>							
001 GENERAL FUND	15,062,704	15,065,028	7,439,470	7,296,674	7,691,674	395,000	252,204
TOTAL SPENDING BY UNIT	15,062,704	15,065,028	7,439,470	7,296,674	7,691,674	395,000	252,204
<u>SPENDING BY MAJOR OBJECT</u>							
SALARIES	539,672	595,523	78,363	80,715	80,715		2,352
EMPLOYER FRINGE BENEFITS	425,766-	396,125-	21,794	23,631	23,631		1,837
SERVICES	2,620,340	2,649,277	2,530,682	3,038,960	3,038,960		508,278
MATERIALS AND SUPPLIES	71,472	336,820	18,384	18,384	18,384		
MISC TRANSFER CONTINGENCY ETC	3,068,702	3,143,301	4,790,247	3,996,687	4,391,687	395,000	398,560-
DEBT	9,088,432	8,633,536					
STREET SEWER BRIDGE ETC IMPROVEMENT							
EQUIPMENT LAND AND BUILDINGS	99,852	102,696		138,297	138,297		138,297
TOTAL SPENDING BY OBJECT	15,062,704	15,065,028	7,439,470	7,296,674	7,691,674	395,000	252,204
			50.6-%	1.9-%	5.4 %	5.4 %	3.4 %
<u>FINANCING BY MAJOR OBJECT</u>							
GENERAL FUND	15,062,704	15,065,028	7,439,470	7,296,674	7,691,674	395,000	252,204
SPECIAL FUNDS							
TAXES							
LICENSES AND PERMITS							
INTERGOVERNMENTAL REVENUE							
FEES, SALES AND SERVICES		16,805					
ENTERPRISE AND UTILITY REVENUE							
MISCELLANEOUS REVENUE							
TRANSFERS							
FUND BALANCES							
TOTAL FINANCING BY OBJECT	15,062,704	15,081,833	7,439,470	7,296,674	7,691,674	395,000	252,204
		.1 %	50.7-%	1.9-%	5.4 %	5.4 %	3.4 %

Budget Explanation

Major Changes in Financing and Spending

Creating the 2002 Budget Base

The 2001 adopted budget was adjusted to set the base for the year 2002. The budget was increased for the anticipated growth in 2002 for salaries and fringes for staff related to the bargaining process. Employee benefit cost increases were projected and then considered in the process that distributes those total costs to the city departments' budgets through the budget system using the "fringe rate" process. The specified contingent reserve was reduced to remove one-time 2001 projects. The general and specified contingent reserves were set to zero. The annual increase in the elections contract with Ramsey County was included in the base. Adjustments were made to the 2001 estimates for financing for pension aids to bring them to an expected 2002 level. Finally, a spending cap was imposed on the general government accounts to limit the growth of government spending and to avoid an increase to the city's property tax.

Department Proposals

To meet base spending, budget proposals were crafted to decrease spending, reduce services, and reflect other miscellaneous cuts to meet the spending cap. Some notable changes include:

- adjusting the Exempt and Forfeited Property Assessments budgets below base,
- reflecting increases in the State Auditors' rates,
- keeping the estimate for increased PERA Pension costs as shown in the base budget to more closely match the latest estimates of 2001 State legislative actions, and
- modifying the Municipal Memberships budget for some minor increases in dues.

Mayor's Recommendations

In preparing the 2002 proposed budget, the mayor recommended accepting the department proposals contained in the submitted budget., with these exceptions:

- providing for the city's share of the first of five annual installments for the cost of new election equipment being purchased by Ramsey County,
- establishing an Innovations Fund that could be used for recommended budget savings projects, or a conversion to Microsoft desktop applications,
- revising and increasing the financing estimate for pension aids, and
- modifying the transfer for the Metropass Program estimate to match that of the Parking and Transit Fund.

Strategic Plan

- The city council staff manage the Civic Organization Partnership program and the budget for the Charter Commission.
- The City Attorney's Office oversees the Tort Liability budget and administers any use of law firms and expert legal service outside of the city attorney staff.
- The Citizen Services Office is responsible for the Elections budget.
- The Office of Financial Services works with the budgets for pensions, severance pay, state auditor, the contribution to the Capital Budget, the Capital Improvement Budget committee, financial forms, employee parking, and refunds.
- The Real Estate Division of the Department of Technology and Management Services deals with exempt and forfeited property assessments and the service and operations of the city hall building.
- The Risk Management Division of the Department of Technology and Management Services leads the citywide effort to control the costs associated with Worker's Compensation, Employee and Retiree Health Insurance, Torts, and Unemployment Compensation.
- The Planning and Economic Development staff directs the budget for Citizen Participation and the Neighborhood Crime Prevention program.

Budget Explanation (continued)

City Council Actions

The city council adopted the General Government Accounts budget and recommendations as proposed by the mayor, and approved the following changes recommended by the mayor:

- making technical changes revising financing estimates for low-income housing aid, local government aid, interest earnings, and hotel motel tax collections, and increasing the use of fund balance financing to offset the technical revenue estimates changes,
- eliminating the contingencies for unemployment compensation costs in department and office budgets, and placing this budget authority for appointed officials unemployment compensation, and increased security for the city hall and courthouse building, into specified contingency to the general government accounts, and
- adjusting the property tax financing in the general fund to reflect the small changes made to the debt interest rate in the general debt service fund.

The city council made these further changes:

- placing funding for a contribution and match for the Zero Adult Providers program into specified contingency in the general government accounts, and
- revising the Community Development Block Grant financing related to the 2002 Civic Organization Partnership Program, and
- increasing the use of the general fund fund balance to fully finance the city council's changes and decisions.

Note on Contingency: funding placed into specified contingency has been included in the budget, but the city council has not given any authority that it can be spent. The administration can take no action to spend these funds without authority from the city council. Spending authority may be given by the city council through an adopted resolution, once it has been initiated and recommended by the mayor (city charter, section 10.07.4).